

# News Release



U.S. Department of Labor  
Office of Public Affairs  
Dallas, Texas  
EBSA-03-779-DAL

For Immediate Release  
Thurs., Nov. 20, 2003  
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## **Labor Department Sues Houston Plan Official For Abandoning Profit Sharing Plan**

**HOUSTON**—The U. S. Department of Labor has sued the trustee and plan administrator of the Kryn timer D.D.S. Inc. dental practice in Houston, Texas, for abandoning the plan and failing to distribute the assets to plan participants.

“When the defendants abandoned the plan, participants were unable to get distributions or make inquiries about their benefits,” said Steve Eischen, director of the department’s Dallas regional office of the Employee Benefits Security Administration (EBSA), which investigated the case. “Our case ensures that workers and their families have someone with authority to transact plan business and distribute the plan’s assets to participants.”

The Nov. 17 suit alleges that Michael F. Kryn timer left his dental practice and abandoned his role as the plan’s trustee in January 2001. Another dentist subsequently bought the practice in February 2001 but did not assume responsibility for the plan. Plans become orphan plans when they are abandoned by all fiduciaries designated to manage and operate the plan.

The suit alleges that Kryn timer and the dental practice violated the Employee Retirement Income Security Act (ERISA) by failing to prudently manage or terminate the plan after it was sold. Kryn timer also failed to repay a \$50,000 loan owed to the plan, file annual reports for 2000-2002, obtain proper bonding and provide a forwarding address for plan inquiries.

The suit, filed in federal district court in Houston, seeks to appoint an independent fiduciary to terminate the plan and distribute the plan assets, permanently bar the defendants from serving as fiduciaries to any plan governed by ERISA and order Kryn timer to restore all losses with interest, including offset of his plan account to repay the plan.

The plan had six participants and \$292,725 in assets, according to the latest financial information available to the Labor Department.

Employers and workers can reach EBSA’s Dallas regional office at (214) 767-6831 or through its toll-free number, 1-866-444-EBSA (3272), for help with problems relating to private-sector pension and health plans.

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(Chao v. Kryn timer)  
Civil Action No. H-03-5283